

B

CBO's Economic Projections for 2002 Through 2012

Year-by-year economic projections for 2002 through 2012 are shown in the accompanying tables (by calendar year in Table B-1 and by fiscal year in Table B-2). The Congressional Budget Office did not try to explicitly incorporate cyclical recessions and

recoveries in its projections for years after 2003. Instead, the projected values shown here for 2004 through 2012 reflect CBO's assessment of average values for that period—which take into account potential ups and downs in the business cycle.

Table B-1.

CBO's Year-by-Year Forecast and Projections for Calendar Years 2002 Through 2012

	Actual 2001	Forecast		Projected								
		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Nominal GDP (Billions of dollars)	10,082	10,429	10,912	11,484	12,082	12,727	13,414	14,137	14,890	15,675	16,497	17,358
Nominal GDP (Percentage change)	2.6	3.4	4.6	5.2	5.2	5.3	5.4	5.4	5.3	5.3	5.2	5.2
Real GDP (Percentage change)	0.3	2.3	3.0	3.3	3.1	3.2	3.2	3.2	3.2	3.1	3.1	3.0
GDP Price Index (Percentage change)	2.4	1.1	1.6	1.9	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Consumer Price Index ^a (Percentage change)	2.8	1.7	2.4	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Employment Cost Index ^b (Percentage change)	3.8	3.3	3.3	3.5	3.6	3.6	3.6	3.6	3.7	3.7	3.7	3.7
Unemployment Rate (Percent)	4.8	5.9	5.9	5.5	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2
Three-Month Treasury Bill Rate (Percent)	3.4	1.7	2.9	4.8	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9
Ten-Year Treasury Note Rate (Percent)	5.0	4.9	5.4	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8
Tax Bases (Billions of dollars)												
Corporate book profits	670	611	666	775	1,045	1,126	1,166	1,209	1,248	1,296	1,350	1,408
Wages and salaries	4,951	5,034	5,282	5,561	5,852	6,165	6,498	6,848	7,213	7,594	7,992	8,408
Tax Bases (Percentage of GDP)												
Corporate book profits	6.6	5.9	6.1	6.7	8.7	8.8	8.7	8.6	8.4	8.3	8.2	8.1
Wages and salaries	49.1	48.3	48.4	48.4	48.4	48.4	48.4	48.4	48.4	48.4	48.4	48.4

Sources: Congressional Budget Office; Department of Commerce, Bureau of Economic Analysis; Department of Labor, Bureau of Labor Statistics; Federal Reserve Board.

Note: Percentage change is year over year.

a. The consumer price index for all urban consumers.

b. The employment cost index for wages and salaries of private-industry workers.

Table B-2.

CBO's Year-by-Year Forecast and Projections for Fiscal Years 2002 Through 2012

	Actual 2001	Forecast		Projected								
		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Nominal GDP (Billions of dollars)	10,032	10,324	10,773	11,343	11,927	12,562	13,239	13,953	14,699	15,476	16,288	17,140
Nominal GDP (Percentage change)	3.3	2.9	4.4	5.3	5.2	5.3	5.4	5.4	5.3	5.3	5.3	5.2
Real GDP (Percentage change)	0.8	1.6	2.9	3.4	3.1	3.2	3.2	3.2	3.2	3.1	3.1	3.0
GDP Price Index (Percentage change)	2.4	1.3	1.4	1.8	2.0	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Consumer Price Index ^a (Percentage change)	3.2	1.5	2.4	2.4	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Employment Cost Index ^b (Percentage change)	3.8	3.5	3.1	3.5	3.6	3.6	3.6	3.6	3.7	3.7	3.7	3.4
Unemployment Rate (Percent)	4.4	5.8	6.0	5.6	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2
Three-Month Treasury Bill Rate (Percent)	4.4	1.8	2.4	4.5	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9
Ten-Year Treasury Note Rate (Percent)	5.2	4.9	5.2	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8
Tax Bases (Billions of dollars)												
Corporate book profits	708	610	643	713	1,011	1,108	1,157	1,198	1,239	1,283	1,337	1,388
Wages and salaries	4,947	4,988	5,213	5,492	5,777	6,085	6,413	6,759	7,121	7,497	7,890	8,303
Tax Bases (Percentage of GDP)												
Corporate book profits	7.1	5.9	6.0	6.3	8.5	8.8	8.7	8.6	8.4	8.3	8.2	8.1
Wages and salaries	49.3	48.3	48.4	48.4	48.4	48.4	48.4	48.4	48.4	48.4	48.4	48.4

Sources: Congressional Budget Office; Department of Commerce, Bureau of Economic Analysis; Department of Labor, Bureau of Labor Statistics; Federal Reserve Board.

NOTE: Percentage change is year over year.

a. The consumer price index for all urban consumers.

b. The employment cost index for wages and salaries of private-industry workers.